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Chapter 5

Finland: strong party-union links under challenge

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Introduction

Links between trade unions and political parties in Finland before the Second World War were very close, but at the same the trade union movement was internally fiercely politicized, with social democrats and communists fighting for influence. In fact, this high level of politicization and conflict characterized the young country as a whole. Having gained independence in 1917, Finland experienced a short but very bitter civil war between Whites and Reds in 1918, a strong right-wing extremist *Lapua* movement in the 1930s, and wars against the Soviet Union and Germany between 1939 and 1945 which actually brought the divided nation together in the face of a common enemy.

The blue-collar trade union movement grew in tandem with the leftist parties. The Social Democratic Party (SDP) was created in 1899 while the Finnish Federation of Trade Unions was established in 1907. In the 1920s the trade union movement and leftist parties basically operated together in workers' associations. However, the trade union movement was internally divided, with often bitter fighting between communists and more moderate wings of the movement. Finding themselves in the minority and dissatisfied with the hard-line approach of the communists, the Social Democrats exited the Finnish Federation of Trade Unions in 1929, establishing in October 1930 the Confederation of Finnish Trade Unions (SAK). SDP's departure actually saved parts of the trade union movement from government repression as that same year the Eduskunta (the unicameral national parliament), under pressure from the *Lapua* movement, banned

the communist-dominated Finnish Federation of Trade Unions as well as numerous other socialist organizations. The ban on socialist organizations effectively paralyzed the Communist Party, while the Social Democrats in the heated circumstances of the 1930s rejected cooperation with the communists and entered the first red-green coalition with the Agrarian Union, the predecessor of the Centre Party, in 1937. This set an important precedent for post-Second World War coalitions crossing the left-right divide that have become the standard type of government in Finland. Towards the end of the 1930s SAK had also managed to overcome, at least temporarily, many of its internal problems and it was able to push through some important labour market reforms. Moreover, in the midst of the Winter War against the Soviet Union in 1940, SAK and the Confederation of Finnish Employers (STK) announced their 'January engagement' (*tammikuun kihlaus*), signaling that previous barriers to cooperation had ceased to exist and recognizing the right of workers to organize themselves.

However, after the Second World War both industrial relations as a whole and the trade union movement continued to be characterized by conflicts. Inside SAK, acrimony continued between communists and social democrats, but perhaps more difficult were the splits in the social democratic group of the confederation, with some unions forming in 1960 a breakaway confederation the Finnish Trades Organization (SAJ). This mirrored, and was indeed closely linked to, the division inside SDP where a minority formed in 1959 the Social Democratic Opposition (*Työväen ja Pienviljelijäin Sosialidemokraattinen Liitto*, TPSL) that existed until 1973 when it rejoined SDP. However, in 1969 unification was achieved when the statutes of SAK were changed allowing member unions more independence in decisions concerning collective bargaining and industrial action. That is also when SAK adopted its current name, the Central Organization of Finnish Trade Unions. A year before that, in 1968, the first comprehensive incomes policy agreement was signed, paving the way for more

consensual industrial relations and wide-ranging corporatist arrangements (Bergholm 2005; 2007; Mickelsson 2007).[1]

This chapter examines links between trade unions and left-of-centre parties in Finland. While the emphasis is on current practices, the analysis also incorporates a longitudinal perspective that informs both the contextual discussion in the next section and the subsequent empirical sections. In addition to the party-union survey, the research material consists of party and trade union documents, data on MPs' affiliations with unions and on trade union funding of parties and their MPs, survey and voting behavior data, and interviews with select party and union officials. From the union side the analysis covers also the Finnish Confederation of Professionals (STTK) and the Confederation of Unions for Professional and Managerial Staff in Finland (AKAVA), but the main focus is on links between SAK and the two leftist parties, SDP and the Left Alliance (VAS). The main argument is that while the electoral strength of the leftist parties has declined quite dramatically, the organizational links between SAK and the parties of the left have remained largely intact. At the same time, SAK has been forced to cast its net wider, re-directing its resources into other channels of influence. The same applies increasingly to the Social Democrats, as the party is clearly losing its grip on working class vote while struggling to formulate goals or identity that would appeal to broader sections of the electorate.

Background and Context

The links between parties and trade unions received heightened media attention in spring 2014 when Social Democrats elected a new leader, with the challenger Antti Rinne beating narrowly the incumbent party chair Jutta Urpilainen by 257 to 243 votes. Rinne, a trade union leader with no previous parliamentary experience was very much perceived as the 'trade union candidate', and the unions of both metalworkers and paper workers

supported him. His victory was interpreted by many as reflecting a yearning on the part of the rank-and-file for a return to more leftist politics after two decades of politics during which the party has, both voluntarily and under strong external and budgetary constraints, embraced more market-friendly policies. Whatever, the tight leadership contest brought to the fore three questions that are relevant for contextualizing the links between unions and left-of-centre parties: the decline of the left, structural transformation, and corporatism.

In the 2015 Eduskunta elections SDP captured only 16.5% of the vote, the lowest ever for the party. The Social Democrats have not been as strong in Finland as in the other Nordic countries, but they were the largest party in all Eduskunta elections held from 1907 to 1954, and since the 1966 elections they have finished first in all elections, apart from those held in 1991, 2003, 2007, 2011 and 2015. The peak was achieved in the 1995 elections with 28.3% of the vote, the highest vote share for a single party after the Second World War. In fact, the collective vote share of the leftist parties has declined quite dramatically in recent decades. Whereas SDP and the predecessor of Left Alliance, the Finnish People's Democratic Union (FPDU), won between them over 45% of the vote in all except one election between 1945 and 1966 (when they won together 48.3% of the vote), by 2015 the electoral strength of the left has decreased to 23.6%. The FPDU's decline began in the late 1960s and support of the Left Alliance has declined gradually since the 1995 elections, with the party winning 7.1% of the vote in the 2015 elections.

The dilemma facing SDP is of course typical for centre-left parties across Europe. At its core are two interlinked questions: whether to defend traditional leftist economic goals or endorse more market-friendly policies, and who the party represents. This debate about the party's ideology and identity flared up after the 1991 elections, which ushered in a centre-right coalition, and coincided with the serious recession of the early

1990s that followed the collapse of the Soviet Union. With unemployment reaching at worst nearly 20% of the workforce, and with Social Democratic voters particularly afflicted by the bad times, the SDP and the trade unions closely attached to it began to emphasize the virtues of budgetary discipline and monetary stability alongside traditional social democratic goals such as universal social policies and job creation. Since trade with the Soviet regime had accounted for around 15–20% of overall national trade, the demise of the communist bloc increased trade dependence on the EU countries. As a result, internal party debates about ideology, the possibility of joining the EU and the need to restore economic well-being became closely entangled. In those circumstances, the gradual move towards the right was made as much out of necessity as out of deliberate choice. However, when in government – as the leading cabinet party from 1995 to 2003 and as the second largest coalition party in 2003-2007 and 2011-2015 – SDP has implemented economic reforms that have definitely frustrated its left-leaning supporters (Mickelsson 2007; Raunio 2010). The Left Alliance, founded in 1990, is in a largely similar situation. VAS brings together a variety of leftists and former communists, and the party is also internally divided on the left–right dimension, with the party leadership advocating 'green left' ideological moderation, while the working class voters more closely linked to trade unions oppose such centrist moves (Zilliacus 2001; Dunphy 2007). As its waning electoral support indicates, the party has found it difficult to cater for the needs of both traditional working class voters and the more urban new 'green left' supporters.

Importantly, both SDP and VAS are operating in the context of a fragmented party system where pragmatic cooperation and compromises are the norm. Cabinet formation has something of an 'anything goes' feel to it and governments are typically surplus majority coalitions that bring together parties from the left and the right (Arter 2009a). After the 1966-1970 electoral period the centre-right parties have held the

majority of Eduskunta seats, often with a comfortable margin. This presents a challenge for the trade unions, particularly for SAK, as leftist parties are not as influential in Finnish politics as before.

Finland has also experienced major structural transformation that is evident not only in party politics but also in the trade union movement (Karvonen 2014). Until the Second World War Finland was predominantly a rural society, with the primary sector (agriculture and forestry) playing a major role economically. Thereafter markets for pulp and paper industry boomed, and war reparations to the Soviet Union made it necessary to expand the share of the metal industry in industrial output. However, the industrial sector of the economy never became as important as in Great Britain, Germany or many other central European states. From the 1970s on, Finland rapidly became a post-industrial society where the tertiary sector (private and public services) engaged more than half of the labour force. In 2011, about 74% of the labour force was employed in the tertiary sector. In fact, one can argue that Finland went directly from a preindustrial to a postindustrial social structure, with much of this transformation occurring between the Second World War and 1980s.

These major changes in occupational structures are obviously reflected in trade unions (Böckerman and Uusitalo 2006; Bergholm 2012; Bergholm and Bieler 2013). Essentially the blue-collar SAK, while still numerically the largest confederation, is facing more competition from STTK and AKAVA that are politically quite different organizations.

The Central Organization of Finnish Trade Unions (SAK), the development of which until the 1960s was covered in the introductory section, has 21 individual member unions, with approximately one million members in private and public sectors. Nearly half of them – about 455 000 – work in manufacturing and construction industries, while 335 000 members are employed in private services and 240 000 in the public sector. SDP

is the dominant party, with most of the unions controlled by Social Democrats. Left Alliance is the other major political force in SAK, but its influence has declined in recent decades. According to recent surveys, the populist the Finns Party (formerly True Finns) enjoys considerable support among trade union members but, so far at least, the party, which recorded a major electoral triumph with 19.1% of the votes in the 2011 elections (an increase of 15% from the 2007 elections) and continued its strong run in the 2015 elections with 17.7% of the vote, has not achieved any real organisational breakthrough inside SAK.

The Finnish Confederation of Professionals (STTK) has over 600 000 members in 18 unions, with some of the largest unions consisting of nurses, health and social care professionals, and clerical employees. Its roots lie in the Intellectual Employment Union, founded in 1922, while STTK was established in 1946. While there is considerable variation between the unions, STTK is overall much less penetrated by party politics than SAK, and in the 2015 elections it did not fund any parties or individual candidates. According to both STTK's (2013) own barometer and the surveys conducted in connection with Eduskunta elections, the loyalty of members towards Social Democrats is decreasing and nowadays the distribution of party support among STTK members reflects quite well the distribution of party support among the population as a whole. However, the chair of STTK has always been a Social Democrat.

The Confederation of Unions for Professional and Managerial Staff in Finland (AKAVA), established originally in in 1950, has 35 member unions representing workers with university, professional or other high-level education. It has about 585 000 members, roughly half of whom work in the private sector. In AKAVA the strongest party is the National Coalition, but like STTK, it is internally much less prone to party-political battles than SAK.

Despite the abovementioned societal changes, Finland remains a strongly corporatist country. In comparative studies Finland is usually ranked as having one of the most corporatist systems of governance. However, as outlined in the introductory section, the current rather consensual and stable climate of corporatism was preceded by conflict that extended beyond the Second World War. 1968 was a major turning point as it saw the first comprehensive incomes policy agreement concluded between the central organizations of labour and employers and the government. Until then intra-SAK rivalry between communists and social democrats had complicated negotiations and contributed to industrial action. The employers saw incomes policy agreements as a way to enhance continuity and predictability in the labour market. It was also believed that such centralized deals would work in favour of the more moderate social democratic camp in the unions. While the core issue of these centralized agreements was wages, the negotiations were often extended to labour market and social policy questions (Kyntäjä 1993).

Corporatism was particularly prevalent from the late 1960s to the 1980s, but there was a temporary weakening in the early 1990s, caused mainly by the economic recession that followed the dissolution of the Soviet Union. From the mid-1990s the SDP-led cabinets of Paavo Lipponen (1995-2003) emphasized the importance of collective wage bargaining and corporatism, not least because the cooperation of the trade unions was seen as essential in order to meet the criteria of the Economic and Monetary Union (EMU) and to maintain economic discipline once in the Eurozone.[2] The main employers' organization is the Confederation of Finnish Industries (EK) that adopted its current name in 2004. Inside the EK the most influential party is the National Coalition. EK decided unilaterally to abandon tripartite collective wage talks in 2007 when Finland was governed by a centre-right coalition (Bergholm and Bieler 2013). However, since 2011 centralized wage agreements have been re-introduced, no doubt

thanks to the fact that SDP re-entered the government after the 2011 Eduskunta elections.

While the system of collective wage talks is not as comprehensive as before, with such bargaining often delegated to the level of individual unions, many labour market agreements and laws are effectively decided in tripartite negotiations between the employers' federations, the trade unions, and the government. Collective agreements are universally binding, that is, they cover also those not belonging to unions. Trade union density has also risen over the decades, reaching its peak during the severe recession of the early 1990s, and over 70% of the workforce now belongs to unions (Böckerman and Uusitalo 2006; see chapter 2). Through comprehensive wage agreements and the overall change in direction of political consensus, the high level of industrial disputes has also been replaced with a more conciliatory style of conflict resolution. The average annual number of workdays lost due to industrial disputes was (in thousands of days) 1322 in the 1950s, including the general strike of 1956. In the 1970s the corresponding figure was still 1051, but in the 1980s as low as 316. During the first nine years of the 2000s it was down to 152 (Karvonen 2014: 39).

Relationships Today: Mapping of Links

In Finland relationships are not regulated in the rules of procedure of either leftist parties (SDP, VAS) or trade unions. This was always not the case, as in the first decades of independence individual unions were members of the parties. In SDP, the last union left the party in the 1950s. Instead, links are based on multi-faceted cooperation that has become firmly institutionalized over the decades. There are no written rules or integrated relationships, yet there are daily contacts, joint working groups, and strong personnel overlaps. The Social Democrats and SAK in particular are formally independent of one another, yet in reality their relationship is very close.

Inter-organizational Links: Reciprocal and Durable

Both the survey and the interviews confirm the existence of tacit agreements between Social Democrats and SAK. This applies to mutual representation in decision-making bodies, permanent and temporary joint committees, joint campaigns and conferences, and regular meetings between party and the blue-collar confederation. These tacit relationships draw on decades of experience of working together: in the place of statutory links are shared understandings and unwritten yet *de facto* codified practices. SAK representatives take part in the various working groups of Social Democrats (in late 2014 there were 30 such groups), and the various personnel from both sides, from the level of party and trade union leaders to their youth organizations, meet regularly. SDP representatives in turn take part in SAK meetings, although here it is important to remember that Social Democrats are in any case the dominant party in the confederation. While such routine daily exchange of ideas is the cornerstone of the relationship, interviewees from both sides agreed that cooperation intensifies, or at least becomes more important, during election campaigns. Geographical proximity is also relevant here. Both the SDP and SAK headquarters are located in Hakaniemi in central Helsinki, just roughly 200-300 metres from one another. In fact, almost all of the individual unions of SAK have their offices in the blocks next to SDP's central office. Adjacent to the Social Democrats' central office is a pub called *Juttutupa* that is a regular meeting place for SDP and SAK staff. SDP and SAK also occasionally carry out study trips abroad, for example to the other Nordic countries to examine how party-union links are operating elsewhere.[3]

Interestingly, according to the survey SDP also has similar ties with STTK and AKAVA, both of which also often take part in SDP working groups. Yet there is a crucial difference that became evident in the interviews. Given the changes in occupational structures and in the trade union movement, the Social Democrats have needed to also invest resources in contacts with other confederations. However, while

these links have become stronger over the years, they are much less institutionalized and regular than ties to SAK. The relationship between SDP's legislative group and trade unions appears much weaker, yet especially at the level of individual MPs contacts are numerous and regular, particularly among 'trade union MPs'. In marked contrast, the Left Alliance and trade unions report hardly any durable links between them. This is another sign of the dwindling role of the party inside SAK. At the same time it must be pointed out that VAS does wield influence inside individual unions – but the party's ties with the blue-collar confederation are noticeably weak.

[Table 5.1 about here]

Inter-organizational Links: One-way and Occasional

Largely the same situation applies to occasional ties (Table 2). We can again see the Social Democrats, this time including their legislative group, sending invitations to all three confederations. Unfortunately we have no exact data on the 'success rate' of the invitations, but there is a vast difference between SAK and STTK / AKAVA. Representatives from the Social Democrats attend as a rule the conferences and seminars and other meetings of SAK, and vice versa. Cooperation with STTK and AKAVA is much less frequent, although especially inside STTK the Social Democrats have strong ties with some of the individual unions.

[Table 5.2 about here]

The Left Alliance is more active regarding the one-way occasional links. Particularly its legislative group invites all three confederations to its meetings, but it is unclear how often trade union representatives attend such party meetings. It is natural

that VAS personnel attend the meetings and conferences of SAK as the Left Alliance is still strongly present inside many individual unions. Overall, it is very probable that the three confederations send often invitations to essentially all of the parties represented in Eduskunta, including to the Finns Party.

Individual-level Links: Personnel Overlaps and Transfers

The individual level data supports the findings of the organizational links. Social Democrats and SAK display strong personnel overlap, and it is very common for SDP officials to have worked previously in SAK, and the other way around. Hence it is not surprising to find that individual level contacts are numerous and take place on a daily basis. For example, two of the three most recent SDP party chairs are experienced trade union leaders. Personnel overlap and individual contacts exist also between Social Democrats and STTK, and to a certain extent also contacts with AKAVA; but these links are again considerably weaker than those with SAK. The Left Alliance also enjoys individual level contacts, and some personnel overlap, with SAK and its individual unions. It must at the same be emphasized that despite active personnel overlap, members of trade union executive committees have only occasionally held seats in the executive organs of VAS or particularly of SDP (Sundberg 2003: 110-12).

[Figure 5.1 about here]

Figure 5.1 reports the share of SDP and VAS MPs in 2013/2014 that work or have worked as officials in the national level bodies of the three confederations. Perhaps surprisingly, Social Democratic MPs have less experience from trade union work than Left Alliance representatives (but, of course, the total size of Left Alliance party group is also much smaller). In order to get a fuller picture of such individual level ties, we also compiled a data set of all 200 MPs elected to the Eduskunta in the 2011 elections. This

data examines all possible positions held by MPs inside trade unions, including at the local level.[4] 4% of National Coalition MPs, 31% of Social Democratic MPs, 3% of the Finns Party's MPs, 23% of Centre Party MPs, 50% of Left Alliance MPs, 20% of Swedish People's Party's MPs, 20% of Green League MPs, and 17% of Christian Democrats' MPs had held positions in trade unions at some point during their career. The share is thus much higher in the legislative groups of the two leftist parties than in the other parties. In the Centre Party all the MPs with trade union ties had links to The Central Union of Agricultural Producers and Forest Owners (MTK), the union of farmers that is beyond the scope of analysis in this chapter. Connections between the Centre Party (the official name of which was until 1965 the Agrarian Union) and MTK have always been very close.[5] The two Swedish People's Party representatives with trade union background in turn had been affiliated with the Swedish-speaking union of farmers, The Central Union of Swedish-Speaking Agricultural Producers in Finland (SLC). Other studies provide similar findings. In the 1999 elections 113 out of 229 SDP candidates and 109 out of 212 VAS candidates had trade union links. Of the MPs elected in 2003, 28 out of 53 SDP representatives and 8 out of 19 VAS MPs had held positions within SAK (Venho 2008: 236).

Overall Degree of Closeness and Range

Turning to overall closeness and range of relationships (Figure 5.3), the scores reflect the findings reported in the previous sections. Closest links are definitely between SDP and SAK: while not an integrated relationship, the two sides are working together at all levels on a regular, if not daily or at least weekly, basis. Also Left Alliance and SAK are close, but this applies more to the level of those individual unions where VAS is in a strong position. The contacts between the two leftist parties and STTK and AKAVA are much more ad-hoc and sporadic: sending invitations, visiting each other occasionally, or distributing information. The most distant confederation is AKAVA, which in fact

specifically explained in its survey answer sheet, that they do not have any kind of contact with the parties in question.

[Figure 5.2a and 5.2b about here]

Social Democrats, however, have needed to react to the growing size and influence of STTK. Given the less partisan nature of that confederation, the links are mainly between SDP and some of the individual unions inside STTK. There has thus been a change over time, as previously Social Democrats were more focussed on working with their 'natural' partner, SAK. Nonetheless, the interviews indicate that the links between SDP and SAK have remained remarkably stable during recent decades, regardless of the economic situation or the personalities leading either the confederation or the party.

[Figure 5.3 about here]

From the trade union side, the decline of the left and the fragmented party system present a challenge. SAK is increasingly casting its net wider, talking to all political parties represented in the Eduskunta, as it might be disadvantageous to rely too much on links with leftist parties (Sundberg 2003: 159).[6] However, the interviews suggest that despite the decline of the electoral strength of the left, SDP and to a lesser extent VAS are still seen as the logical companions of SAK, the ones who listen and understand. The National Coalition is the most distant party from the blue-collar confederation as it is closely linked to EK. The Centre Party is in turn strongly connected to MTK. The Greens are in many ways sympathetic towards SAK and its objectives, particularly concerning workers' rights, but the party is obviously rooted in the environmental

movement and associated interest groups whose policies often are at odds with trade union interests. Greens perhaps also view trade unions as old-fashioned and too hierarchical. The Finns Party is in its discourse defending the 'common man', and in the 2011 and 2015 Eduskunta elections the party certainly attracted large numbers of working class voters, many of whom defected from the SDP, but the party also includes a lot of small entrepreneurs that are highly critical of unions. Whilst defending the welfare state, the party often distances itself from leftist values and also from the trade union movement.

Explanatory Note

The relationship between trade unions and left-of-centre parties extends beyond organisational and individual-level contacts. This section provides thus data on two other important aspects of the relationship: funding of parties by trade unions and the political loyalties of trade union members. The focus here is on links between SAK and Social Democrats and the Left Alliance.

Traditionally the size of SAK donations to either SDP or VAS has been very low, as it is not the confederation that funds the parties and particularly their individual candidates. Most of parties' income comes from the public funding of political parties: this applies to all Finnish parties regardless of their ideological orientation (Venho 2008). Between 1983 and 2012, public funding contributed between 64% and 87% of the annual income of SDP, with membership fees accounting for around 7-10% of the income in recent years. The share of 'fundraising', including donations from SAK and individual unions, was in SDP on average 8.7% between 1983 and 2010, with peaks in elections years (for example, 23% in 2006 when presidential elections were held, and 20% in 2007, the year of Eduskunta elections).[7] The role of SAK becomes more important during election campaigns, but even then not through funding but mainly through

organising seminars and campaign events, producing and distributing information, and just in general through supporting the campaigns of parties. For example, in the 2011 elections SAK donated only 2 000 euros to SDP while the total sum of trade union funding for Social Democrats in the elections was 39 000 euros. The Left Alliance in turn received 36 500 euros from trade unions, with none of that money coming directly from SAK. While we have no longitudinal data about SAK donations, it appears that the 2011 elections are representative of at least the elections held in recent decades. Moreover, sometimes too active campaigning by SAK can be counterproductive. For example, in the 2007 elections SAK financed a TV advert that caused a lot of negative publicity for the confederation and the leftist parties. In the advert a wealthy businessman enjoys a table full of fine food whilst drawing delight from the fact that he can decide issues as the working class will not even vote.[8] Overall, whereas back in the 1979 elections SAK and its member unions were explicitly telling people to vote for leftist parties, in recent decades it has refrained from giving such recommendations. However, in the 2006 presidential elections SAK openly supported the re-election of the incumbent SDP candidate Tarja Halonen (Venho 2008: 236).

The main donors are instead the individual unions of SAK that fund the left-wing parties and actively support 'their' candidates in all Eduskunta elections.[9] As became evident from the analysis of individual level contacts, around one-third of SDP and half of VAS MPs elected in 2011 had trade union connections. Individual unions offer direct funding to their candidates. Examining the funding of MPs elected in 2011, we can see again clear differences between the parties. 7% of National Coalition MPs, 57% of Social Democrats' MPs, 13% of the Finns Party MPs, 23% of Centre Party MPs, 64% of Left Alliance MPs, 30% of Swedish People's Party MPs, 20% of Green League MPs and 17% of Christian Democrats' MPs received campaign funding from unions. Again MTK and SLC were active in funding the MPs of the Centre Party and the Swedish People's Party,

whereas the two leftist parties clearly stand out in terms of getting money from the unions, mainly the individual unions of SAK.[10] With the exception of some individual representatives, the sums were not significant – ranging from a few hundred euros to around 10 000 euros. However, the Social Democratic MP Lauri Ihalainen, who served as the SAK leader from 1990 to 2009 and was subsequently the minister for labour in the 2011-2015 coalition, received 28 600 from the unions. Overall, it must be strongly emphasized that direct funding may not be the most important form of campaign help (Venho 2008: 235–44). The union activists, especially at the local level, are often in a major role in arranging various campaign events or in distributing campaign material. Hence unions at all levels provide a variety of help to SDP and VAS candidates, help that cannot be captured through funding data. Moreover, SAK as a whole is committed to increasing turnout among its members, a long-term strategy that clearly should favour the leftist parties.

Turning to the electorates and voting behaviour, class dealignment and the entry of new issues to the political agenda has since the 1960s contributed to increasing electoral instability, both in terms of party system fragmentation and electoral volatility. However, despite the entry into the Eduskunta of new parties such as the Green League and the Rural Party and its successor the Finns Party, the party system has remained rather stable. The three core parties of recent decades – Social Democrats, the Centre Party and the National Coalition – have largely held on to their vote shares in recent decades, although the rise of the Finns Party has produced in two latest Eduskunta elections (2011, 2015) a situation where the party system has four quite equally-sized large parties (Sundberg 2003; Arter 2009a; Borg 2012; Karvonen 2014). Hence the three-front model of Lipset and Rokkan (1967), where the relationship between trade unions and parties reflects underlying social cleavages, is still relevant in Finland: SDP and VAS represent working class interests (SAK), the Centre Party agrarian or rural interests

(MTK), and the National Coalition the interests of the bourgeoisie or the capital (EK) (Sundberg 2003; 2008).

However, structural transformation has contributed to the unpredictability. More precisely, there is no party that would offer a logical home to the people employed in the large services sector since it includes such a wide variety of occupational groups ranging from waitresses, teachers, and sales personnel to nurses (Grönlund and Westinen 2012: 157–58). Drawing on surveys carried out in connection with Eduskunta elections, Table 5.3 reports the party choices of trade union members. MTK is unsurprisingly dominated by Centre voters, whereas inside AKAVA the National Coalition is the largest party. With the exception of 1991 and 2015, SDP has been the biggest party inside STTK, but overall the distribution of party support among STTK members mirrors rather well the distribution of party support among the population as a whole. As for SAK, around 43% of its members voted for the Social Democrats in 1991 and 2003, and the support of VAS seems rather stable among SAK members. However, the 2015 data shows significant differences, with the Finns Party the largest party inside SAK. There is thus a firm connection between SDP / VAS and SAK among the voters, although it remains to be seen whether the Finns Party can undermine that relationship (see Tiihonen 2015).

[Table 5.3 about here]

The analysis about organisational links, funding and voting behaviour indicate that both sides – SAK and leftist parties – see cooperation as mutually beneficial. In terms of exchanging resources, SDP gets valuable support from SAK (and to a lesser extent from STTK) in terms of votes and campaign support, whereas SAK has party-political allies for achieving its policy goals. In the interviews SAK personnel underlined strongly the importance of Social Democrats joining the government, as the party has

managed to do almost uninterruptedly since the late 1930s, with the exception of years 1957-1966 when the party suffered from internal splits and then the three more recent periods of rule by centre-right cabinets (1991-1995, 2007-2011, 2015-). In fact, during these latter periods the role of the trade unions has declined, particularly in 2007-2011 when EK unilaterally refused to enter into comprehensive incomes policy agreements – a decision that was reversed when the SDP entered the cabinet after the 2011 elections. In terms of policy, both sides benefit from one another, with SDP present in the political institutions whereas SAK influences primarily through corporatist channels. Both sides, including also the Left Alliance's predecessor FPDU, were also behind many if not most of the social policy and labour market reforms of recent decades.

Conclusion

Modern, post-Second World War history of Finland cannot be understood without acknowledging the role of trade unions, primarily SAK, that together with its leftist party-political allies have introduced over the decades reforms that form the backbone of the current welfare state. Trade unions are of course criticized repeatedly, especially by centre-right political actors, but they continue to enjoy a high level of legitimacy in the society. In terms of policies, trade unions are often even specifically asked to work out reforms should the government find itself in deadlock due to lack of unity (which happens quite often as the cabinets are normally broad coalitions bringing together parties from the left and the right). Corporatist practices are still very much the norm, from centralized wage agreements to more regular cooperation between the trade unions, the employers' federations and the state.

Despite the rather drastic decline of the political left in Finland, down to under one-third of Eduskunta seats after the 2007 elections, SAK is still strongly dependent on Social Democrats, and to a lesser extent on the Left Alliance. The links between trade

unions and left-of-centre parties are solid and fairly institutionalized: they are based on unwritten yet routinized arrangements that draw on decades of experience of working together. Inside SAK the influence of the Left Alliance has been declining gradually in recent decades. When the Social Democrats are in government 'it makes life so much easier', declared one interviewed SAK official. But even when SDP is in the cabinet, SAK has needed to reach beyond its core partners – it basically needs to lobby more, investing more resources in direct contacts with ministries and MPs, and the cabinet and the prime minister's office, and it talks increasingly to all parties represented in the Eduskunta. Such direct contact, or lobbying, by SAK has become vastly more important in recent years.

The recent global and European financial uncertainty, not to mention the current domestic economic challenges, has obviously brought about increasing debate about trade unions. Especially from the right they are seen as obstacles to much-needed economic reforms, while the left stresses their role in providing macroeconomic stability and peaceful industrial relations. Whereas from the 1960s onwards trade unions were often behind major (and popular) socio-economic reforms, today they mainly focus on defending the status quo, with the initiatives coming from the employers' side or from the centre-right parties (Ruostetsaari 2014: 283–86). Whether trade unions can survive the next few years with their influence and legitimacy intact remains to be seen, but at least for now their role remains strong. The bigger question marks perhaps concern the changes inside the trade union movement brought about by the structural transformation of the economy. The analysis in this chapter has suggested that union confederations are often internally quite heterogeneous and thus 'speaking with one voice' or articulating clear preferences is increasingly challenging for them. This is also one of the reasons why the left-of-centre parties often deal directly with individual unions as opposed to the actual confederations. Moreover, parties of the left in Finland have experienced quite dramatic decline in support over the recent decades, and hence particularly the Social

Democrats may start reconsidering whether strong public links with the trade unions are doing it more harm than good.

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Appendix

Tables and figures to be inserted in chapter

Table 5.1 Reciprocal, durable inter-organizational links between party central organization/legislative group and union confederation last five years[1]

Party-confederation dyad – CPO	SDP-SAK		SDP-STTK		SDP-AKAVA		VAS-SAK		VAS-STTK		VAS-AKAVA	
	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ
Tacit agreements about one-sided/mutual representation in national decision-making bodies	c.d.	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No	No	No
Permanent joint committee(s)	c.d.	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No	No	No
Temporary joint committee(s)	c.d.	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No	No	No
Formal agreements about regular meetings between party and organization	No	No	No	No	No	No	No	No	No	No	No	No
Tacit agreements about regular meetings between party and organization	c.d.	Yes	c.d.	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No
Joint conferences	c.d.	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No	No	No
Joint campaigns	c.d.	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No	No	No
Official social media connections	No	No	No	No	c.d.	Yes	No	No	No	No	No	No
Party-confederation dyad – LPG	SDP-SAK		SDP-STTK		SDP-AKAVA		VAS-SAK		VAS-STTK		VAS-AKAVA	
	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ
Tacit agreements about one-sided/mutual representation in national decision-making bodies	No	No	No	No	No	No	c.d.	Yes	No	No	No	No
Permanent joint committee(s)	No	No	No	No	No	No	No	No	No	No	No	No
Temporary joint committee(s)	c.d.	Yes	c.d.	Yes	No	No	No	No	No	No	No	No
Formal agreements about regular meetings between party and organization	No	No	No	No	No	No	No	No	No	No	No	No
Tacit agreements about regular meetings between party and organization	No	No	No	No	No	No	No	No	No	No	No	No
Joint conferences	c.d.	Yes	No	No	No	No	c.d.	Yes	No	No	No	No
Joint campaigns	No	No	No	No	No	No	c.d.	Yes	No	No	No	No
Official social media connections	No	No	No	No	No	No	No	No	No	No	No	No

[1] 'P/U' indicates responses from party/trade union questionnaires, 'CJ' signifies the authors 'coded judgment' based on alternative sources in cases of diverging or missing P/U answers. 'c.d.' means contradictory data (diverging P/U answers), 'n.d.' means no data (informant didn't know/missing/unclear) and 'n.a.' means not applicable in this case.

Table 5.2 One-way, occasional links at the organizational level between party central organization/legislative group and union confederation last five years[1][2]

Party-confederation dyad – CPO	SDP-SAK		SDP-STTK		SDP-AKAVA		VAS-SAK		VAS-STTK		VAS-AKAVA	
	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ
Invitation to party to participate in the organization's national congress	Yes	Yes	Yes	Yes	c.d.	Yes	c.d.	Yes	No	No	No	No
Invitation to organization to participate in the party's national congress/conference	Yes	Yes	Yes	Yes	c.d.	Yes	c.d.	No	c.d.	No	No	No
Invitations to organization to participate in the party's ordinary meetings, seminars, and conferences	Yes	Yes	Yes	Yes	c.d.	Yes	Yes	Yes	Yes	Yes	c.d.	Yes
Invitations to party to participate in ordinary organization meetings, seminars, and conferences	Yes	Yes	Yes	Yes	c.d.	Yes	Yes	Yes	c.d.	Yes	No	No
Invitations to organization to special consultative arrangements initiated by the party	Yes	Yes	Yes	Yes	Yes	Yes	c.d.	No	c.d.	No	No	No
Invitations to party to special consultative arrangements initiated by the organization	Yes	Yes	c.d.	Yes	Yes	Yes	c.d.	Yes	No	No	No	No
Party-confederation dyad – LPG	SDP-SAK		SDP-STTK		SDP-AKAVA		VAS-SAK		VAS-STTK		VAS-AKAVA	
	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ	P/U	CJ
Invitation to party to participate in the organization's national congress	Yes	Yes	Yes	Yes	c.d.	No	Yes	Yes	No	No	c.d.	No
Invitation to organization to participate in the party's national congress/conference	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Invitations to organization to participate in the party's ordinary meetings, seminars, and conferences	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	c.d.	Yes
Invitations to party to participate in ordinary organization meetings, seminars, and conferences	c.d.	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	c.d.	No
Invitations to organization to special consultative arrangements initiated by the party	Yes	Yes	Yes	Yes	c.d.	Yes	Yes	Yes	Yes	Yes	c.d.	Yes
Invitations to party to special consultative arrangements initiated by the organization	c.d.	Yes	No	No	c.d.	Yes	Yes	Yes	Yes	Yes	Yes	Yes

[1] 'P/U' indicates responses from party/trade union questionnaires, 'CJ' signifies the authors 'coded judgment' based on alternative sources in cases of diverging or missing P/U answers. 'c.d.' means contradictory data (diverging P/U answers), 'n.d.' means no data (informant didn't know/missing/unclear) and 'n.a.' means not applicable in this case.

[2] SDP CPO's and AKAVA's answers differ four times in Table 2. Also SDP CPO's and STTK's answers differ once. The coded judgement in all these cases is based primarily on interviews. Again, the reason for these differing answers is that SDP reported not having direct connections to the trade unions but to the SDP groups inside SAK and its unions. There were more differing answers between trade unions and Left Alliance's CPO. The coded judgement in these cases is derived from the answer given by the side sending the invitation at each claim. For example, if the claim is that the trade union has sent invitations to the party's CPO and the answers differ, the coded judgement is based on the answer given by the trade union.

The same logic applies if the claim says that the party is the one who invites the trade unions. This method has been used in connections between parties' LPGs and trade unions.

Table 5.3 The party choice of trade union members in Eduskunta elections, 1991-2015. Per cent.[1]

2015		**SDP**	**KESK**	**KOK**	**RKP**	**KD**	**VIHR**	**VAS**	**PS**	**Others**	**Total**
	SAK	27.7	15.0	5.2	1.4	0.9	6.1	11.3	28.2	4.2	100.0
	STTK	16.5	29.6	16.5	7.0	3.5	6.1	5.2	15.7	0.0	100.0
	AKAVA	6.3	16.8	28.8	4.2	4.7	19.4	11.0	7.9	1.0	100.0
	MTK	20.0	80.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
2011											
	SAK	38.2	5.6	6.0	1.3	3.9	7.7	13.3	22.7	1.3	100.0
	STTK	25.6	15.6	15.6	3.3	4.4	5.6	10.0	16.7	3.3	100.0
	AKAVA	10.4	12.5	27.1	8.3	2.8	20.1	8.3	10.4	0.0	100.0
	MTK	0.0	69.2	0.0	15.4	7.7	0.0	0.0	7.7	0.0	100.0
2007											
	SAK	31.2	15.8	8.5	9.4	5.1	6.0	17.5	4.3	2.1	100.0
	STTK	22.8	19.3	18.4	14.9	7.0	10.5	4.4	1.8	0.9	100.0
	AKAVA	10.2	14.8	18.8	25.8	4.7	18.8	6.3	0.8	0.0	100.0
	MTK	0.0	66.7	16.7	8.3	8.3	0.0	0.0	0.0	0.0	100.0
2003											
	SAK	42.9	15.3	7.9	4.8	4.8	7.9	15.3	1.1	–	100.0
	STTK	36.2	16.2	18.1	9.5	7.6	8.6	2.9	1.0	–	100.0
	AKAVA	12.9	21.8	25.7	16.8	6.9	10.9	5.0	0.0	–	100.0
	MTK	0.0	81.5	7.4	3.7	7.4	0.0	0.0	0.0	–	100.0
1991									**SMP**		
	SAK	42.9	17.2	7.1	3.4	3.4	5.0	17.6	1.7	1.6	100.0
	AKAVA	8.2	16.5	39.2	8.2	3.1	17.5	5.2	0.0	2.0	100.0
	STTK	24.5	20.4	30.6	10.2	4.1	2.0	0.0	4.1	2.0	100.0
	MTK	2.0	78.4	13.7	0.0	0.0	3.9	0.0	0.0	2.0	100.0

[1] SDP = Social Democratic Party; KESK = the Centre Party; KOK = National Coalition; RKP = Swedish People's Party; KD = Christian Democrats; VIHR = Green League; VAS = Left Alliance; PS / SMP = The Finns Party / Rural Party.

Source: FNES 1991, 2003, 2007, 2011, 2015

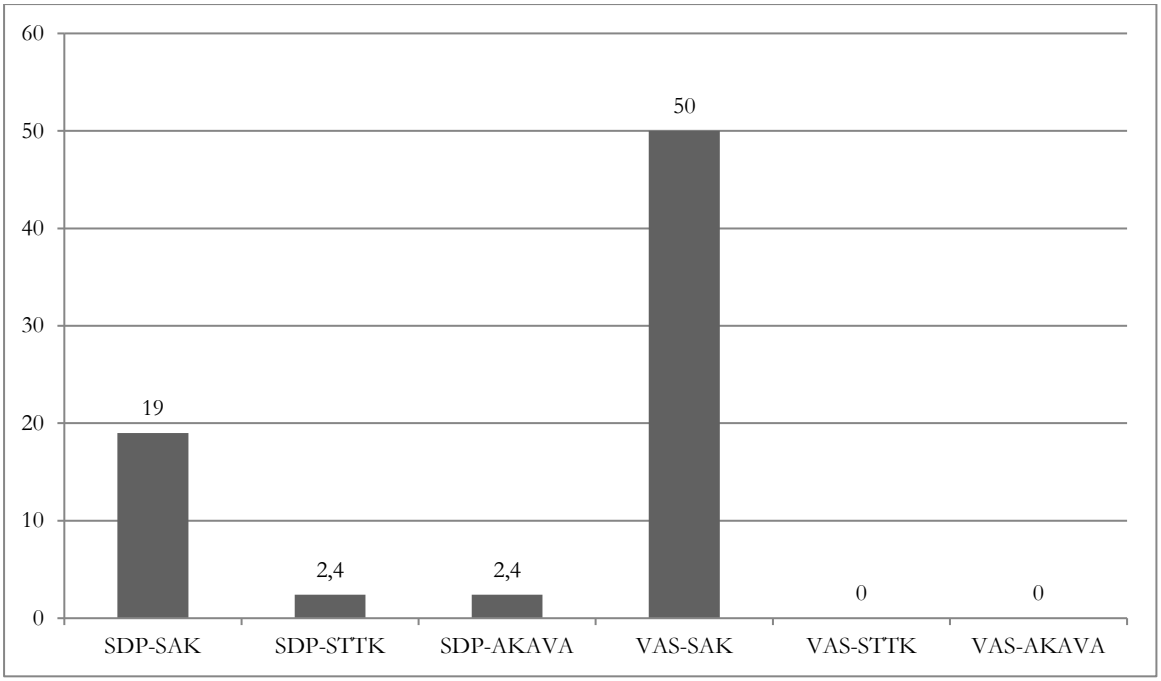
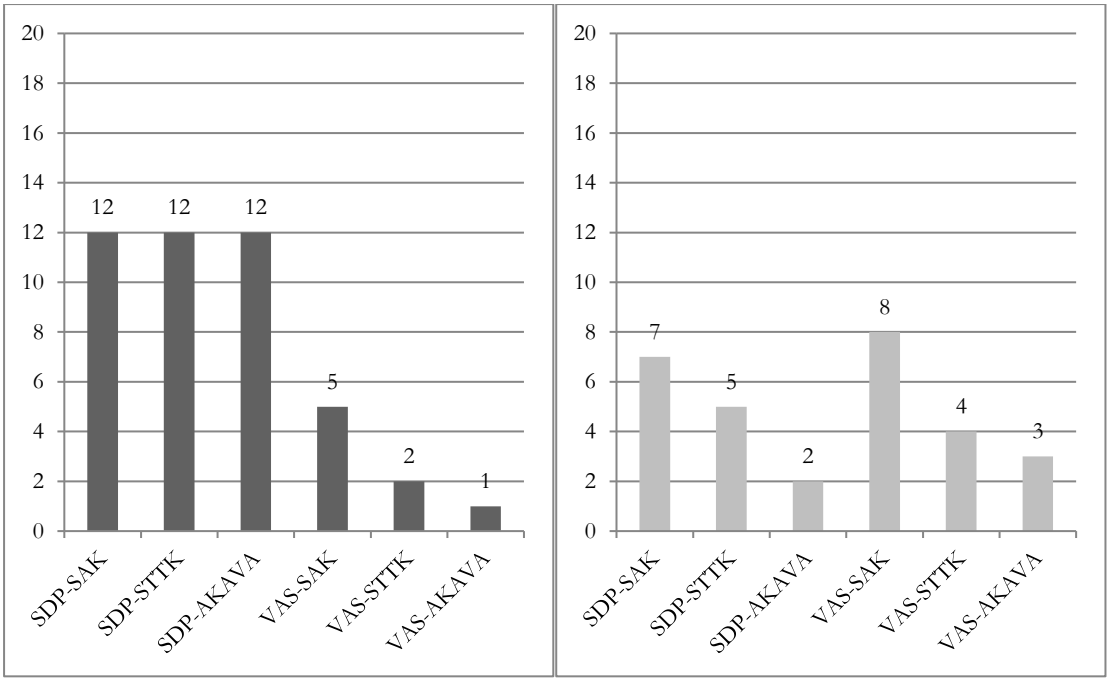


Figure 5.1 Share of SDP and VAS MPs in 2013/14 that hold or have held positions as officials or staff in the confederations of unions at the national level.[1]

[1] Only permanent representatives and deputy representatives who attend the entire term are included. 'n.d.' means no data (missing). N of MPs is 42 for SDP and 14 for VAS.



(a) CPO-dyads *(b) LPG-dyads*

Figure 5.2a and 5.2b Total link scores of central party organization-trade union relationships and legislative party-trade union relationships (0-20/0-12).[1]

[1] The theoretical maximum link score is 20 for the CPO-dyads and 12 for LPG-dyads since some link items are unlikely to apply to the legislative party group and were thus not included in this part of the survey. However, when comparing dyads involving CPOs with those involving LPGs, one should still keep in mind that the latter's maximum involves fewer links than the former's top scores.

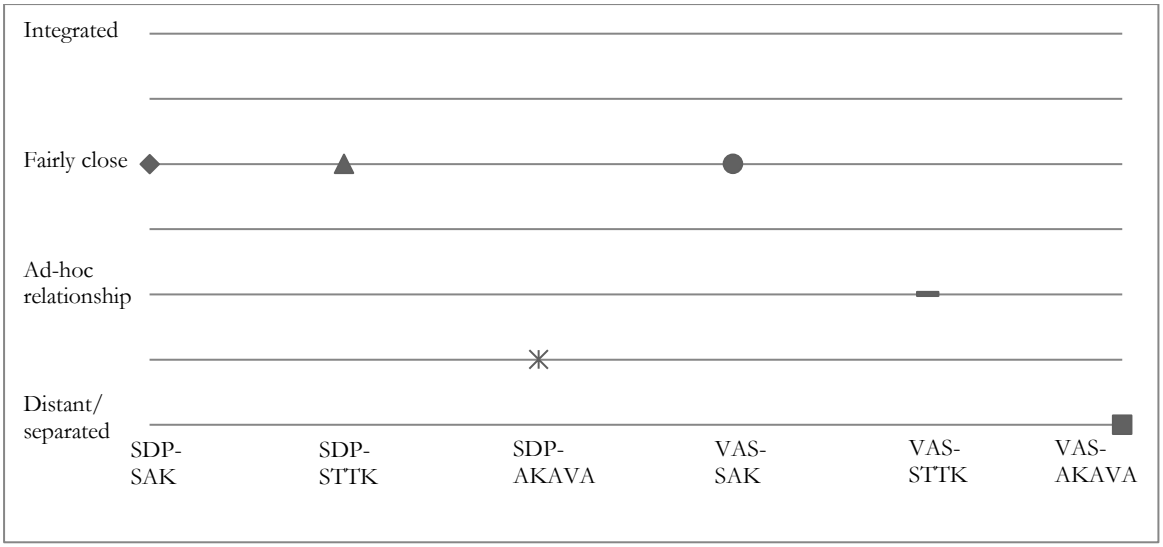


Figure 5.3 Rating of overall degree of closeness/distance (average score) between the party and union confederation last five years.[1]

[1] Ratings in-between two categories reflect that the party and union responses to the survey question differed. None of the ratings differed with more than one category.

[1] For a very useful timeline of the history of SAK and the Finnish trade union movement, see http://www.sak.fi/this-is-sak/history/timeline.

[2] The SDP leadership knew quite well that without support from SAK, its pro-EU policy would have shaky foundations. Bearing in mind the economic recession and the trade dependence with EU countries, it was not very surprising that SAK came out in favour of EU membership in the autumn of 1994 and has since then supported by and large national integration policies. SAK was initially against EMU, fearing that it might weaken the corporatist system of collective wage bargaining, but changed its opinion – partially as a result of the SDP-led government agreeing to so-called buffer funds in 1997. This active pro-European policy of SAK has certainly made the management of the EU issue, and adjustment to internal market and single currency in particular, much easier for the SDP leadership (Raunio 2010).

[3] In Table 5.1 the differing answers between trade unions and SDP is explained by the fact that the CPO replied in the survey that it does not have connections to the trade union confederation but to the SDP groups inside SAK and its unions.

[4] A note of caution: the data was compiled from various sources: MPs' homepages, their pages at the Eduskunta website, personal CVs found online and written sources, but unfortunately there is considerable variation between representatives in terms of how much information they provide about their work careers or other positions of trust.

[5] At least until the 1950s when the size of farms was much smaller, the leftist parties, particularly FDPU, had a lot of supporters among the rural voters and many politicians of leftist parties had held positions in the farmers' unions (Sundberg 2008: 78).

[6] Towards the end of the 1980s there was a temporary feeling inside SAK that they could manage without too close links to any of the parties. In 1991, the year when SDP lost the elections and ended in opposition, SAK removed from its statutes the clause about the confederation forming a part of the international workers' movement.

[7] Based on data kindly provided by Vesa Koskimaa.

[8] https://www.youtube.com/watch?v=gLx-xnBEswo.

[9] Interestingly, while trade union donations are often seen as 'dirty money', the leftist parties escaped the party finance scandal of 2008-2009 (which led to more stringent reporting requirements on campaign funding) relatively unscathed. The scandal was particularly troubling for the leading government parties, the Centre and the National Coalition (Arter 2009b).

[10] These figures are based on funding disclosures of the elected MPs. For information on the legal provisions, see http://www.vaalit.fi/en/index/generalinformation/electionfunding.html. The reports of the MPs and political parties are available at http://www.vaalirahoitus.fi/fi/index.html.